



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
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"To Enrich Lives Through Effective And Caring Service"

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July 15, 2014

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

7 July 15, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

FIVE-YEAR LEASE AMENDMENT DEPARTMENT OF PUBLIC SOCIAL SERVICES 2415 WEST SIXTH STREET, LOS ANGELES (FIRST DISTRICT) (3 VOTES)

SUBJECT

A five-year lease amendment for the Department of Public Social Services to provide continued use of 46,228 square feet of office space and 100 onsite parking spaces.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed lease amendment is categorically exempt from the provisions of the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, per Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).
2. Approve and instruct the Chairman to sign the five-year lease amendment with Isaac Moradi (Lessor) for the Department of Public Social Services to occupy 46,228 square feet of office space and 100 onsite parking spaces at 2415 West Sixth Street, Los Angeles, at a first year lease cost of \$943,052. The rental cost is 91 percent subvented by State and federal funds and 9 percent net County cost.
3. Authorize the Chief Executive Officer and the Director of Public Social Services to implement the project. The lease will be effective upon approval by the Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The current lease for this facility expired March 2, 2014, and the County has continued to occupy the facility on a month-to-month holdover basis. The Department of Public Social Services (DPSS) requested that the lease be extended for five years to continue operation of the program at the facility. Since 1998, DPSS has occupied the facility, serving the Wilshire Special District, a geographic area to the north and west of downtown Los Angeles. The facility's location is well suited to accommodate the highly concentrated clientele in the service area. The office provides direct services including General Relief, CalFRESH, Medi-Cal, and the Cash Assistance Program for Immigrants. DPSS has requested the lease be extended to provide continued operation of the program.

The DPSS Wilshire Special District Office was approved for 260 staff. As the facility does not have adequate parking, with only 100 spaces onsite, the County leases 200 additional parking spaces in a nearby parking structure under a separate agreement with the Los Angeles Unified School District. This lease was recently renewed under a separate Board recommendation.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan of Operational Effectiveness (Goal 1) directs that we maximize the effectiveness of process, structure, and operations to support timely delivery of customer-oriented and efficient public service. The proposed lease amendment supports this goal by providing quality information and services to families in the region. The lease amendment is in conformance with the Asset Management Principles as outlined in Attachment A.

FISCAL IMPACT/FINANCING

The proposed lease amendment will provide the County uninterrupted use of 46,228 square feet of office space and 100 onsite parking spaces for \$78,587.60 per month, or \$943,052 annually, i.e., \$1.70 per square foot per month. The base rate will reduce the existing rent by the amount of \$2,432/\$29,184 per month/annually, representing a potential savings of \$145,921 over the term of the lease amendment. The Lessor has agreed to provide paint, carpet, and vinyl tile cleaning, minor alterations and repairs. Attachment B is an overview of the changes in the lease.

This is a modified gross lease whereby the Lessor is responsible for all operating costs associated with the County's occupancy, with the exception of electricity charges.

Sufficient funding for the proposed lease costs is included in the proposed Fiscal Year (FY) 2014-15 Rent Expense budget and will be billed back to DPSS. DPSS has sufficient funding in its proposed FY 2014-15 operating budget to cover the projected lease costs which are funded 91 percent by subvention and 9 percent net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed lease amendment will provide uninterrupted use of 46,228 square feet of office space and 100 onsite parking spaces and contains the following provisions:

- A five-year term commencing upon approval by the Board.
- A modified gross basis whereby the Lessor is responsible for the operational and maintenance costs associated with the premises and the County is responsible for electricity expenses.

- Preparation of premises provision providing paint, carpet, and vinyl floor cleaning, minor alterations and repairs.
- A cancellation provision allowing the County to cancel any time after 24 months, with six months prior written notice.
- Annual rental adjustments based upon the Consumer Price Index with a maximum increase of 4 percent per annum.

The Chief Executive Office (CEO), Real Estate Division staff conducted a survey of the area within the Wilshire Special District vicinity to determine the availability of comparable and more economical sites. Staff was unable to identify any sites in the survey area that could suitably accommodate this requirement, nor are there any County-owned or leased facilities available for this program. Based upon said survey, staff has established that the rental range for similar space is between \$15.60 and \$23.40 per square foot per year on a modified service basis, i.e., including operational and maintenance costs, janitorial expenses, and parking, with the exception of electrical utilities. Thus, the base annual rental rate of \$20.40 per square foot per year on a full-service basis, including parking, for the proposed lease amendment represents a rate within the market range for the area. Attachment C shows County-owned or leased facilities available for the program.

The Department of Public Works inspected this facility on February 19, 2014, and found it suitable for County occupancy. The build-out of the space was completed in compliance with the Americans with Disabilities Act and building codes. Notification letters have been sent pursuant to Government Code Sections 25351 and 65402.

A child care center is not feasible for the departments in the proposed lease premises.

ENVIRONMENTAL DOCUMENTATION

The CEO has concluded that this project is exempt from the California Environmental Quality Act (CEQA) as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease amendment will adequately provide the necessary office space for this County requirement, and DPSS concurs with the proposed recommendation.

CONCLUSION

It is requested that the Executive Office, Board of Supervisors, return three originals of the executed lease amendment, two certified copies of the Minute Order, and the adopted, stamped Board letter to the CEO, Real Estate Division at 222 South Hill Street, 3rd Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "W. T. Fujioka", with a stylized flourish at the end.

WILLIAM T FUJIOKA

Chief Executive Officer

WTF:RLR:CMM

CEM:TS:FC:gw

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Public Social Services

DEPARTMENT OF PUBLIC SOCIAL SERVICES
2415 WEST SIXTH STREET, LOS ANGELES
Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>		Yes	No	N/A
	A	Does lease consolidate administrative functions? ²			X
	B	Does lease co-locate with other functions to better serve clients? ²			X
	C	Does this lease centralize business support functions? ²			X
	D	Does this lease meet the guideline of 200 sq. ft of space per person? ² 178 square feet per person. This office does not provide an opportunity for expansion space and the department does not have available funding to relocate the office at this time.		X	
2.	<u>Capital</u>				
	A	Is it a substantial net County cost (NCC) program?		X	
	B	Is this a long term County program?	X		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
	D	If no, are there any suitable County-owned facilities available?		X	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			X
	F	Is Building Description Report attached as Attachment C?	X		
	G	Was build-to-suit or capital project considered?		X	
3.	<u>Portfolio Management</u>				
	A	Did department utilize CEO Space Request Evaluation (SRE)?	X		
	B	Was the space need justified?	X		
	C	If a renewal lease, was co-location with other County departments considered?		X	
	D	Why was this program not co-located?			X
		1. ____ The program clientele requires a "stand alone" facility.			
		2. <u>X</u> No suitable County occupied properties in project area.			
		3. ____ No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. ____ The Program is being co-located.			
	E	Is lease a full service lease? ² Lessor refuses to pay for electricity charges.		X	
	F	Has growth projection been considered in space request?	X		
	G	Has the Dept. of Public Works completed seismic review/approval?	X		
¹ As approved by the Board of Supervisors 11/17/98					
² If not, why not?					

**FISCAL IMPACT/FINANCING
OVERVIEW OF LEASE CHANGES**

2415 West Sixth Street, Los Angeles	Existing Lease	Proposed Lease Amendment No. 2	Change
Area (square feet)	46,228	46,228	None
Term	Five (3/03/2009-3/02/2014)	Five years upon Board adoption.	None
Annual Rent	\$972,235 (\$21.03/sq.ft.)	\$942,051 (\$20.40/sq.ft.)	-\$29,184 (-\$0.63/sq.ft.)
TI Allowance	Carpet, paint and minor alterations	Paint, floor cleaning and minor alterations	-carpet
Cancellation	After the 24 th month, with 6 months' notice.	After the 24 th month, with 6 months' notice.	None
Parking (included)	100 onsite spaces	100 onsite spaces	None
Option to Renew	One-five year option at 95% of Fair Market Rent	One-five year option at 95% of Fair Market Rent	None
Rental Adjustment	Consumer Price Index (CPI) capped at 5 percent	CPI capped at 4 percent	-1 percent

**DEPARTMENT OF PUBLIC SOCIAL SERVICES
SPACE SEARCH-TWO MILE RADIUS**

LACO	Facility Name	Address	Ownership	Gross SOFT	Net SOFT	Available SOFT
A360	DPSS-METRO NORTH AP/ CALWORKS DISTRICT OFFICE	2601 WILSHIRE BLVD, LOS ANGELES 90057	LEASED	62,000	60,140	NONE
A600	CENTRAL CIVIL WEST COURTHOUSE	600 S COMMONWEALTH AVE, LOS ANGELES 90005	LEASED	281,988	237,432	NONE
A336	SHERIFF-WILSHIRE CENTRE BUILDING	3055 WILSHIRE BLVD, LOS ANGELES 90010	LEASED	7,755	7,115	NONE
B500	DHS-WORKFORCE DEVELOPMENT PROGRAM	500 S VIRGIL AVE, LOS ANGELES 90020	PERMIT	8,000	7,200	NONE
X317	DCSS-LE SAGE COMPLEX 4 STORY BUILDING	3175 W 6TH ST, LOS ANGELES 90020	OWNED	52,230	42,341	NONE
A369	DCFS-HEADQUARTERS ANNEX	501 SHATTO PL, LOS ANGELES 90020	LEASED	17,751	15,976	NONE
A425	DCFS-HEADQUARTERS BUILDING	425 SHATTO PL, LOS ANGELES 90020	LEASED	81,912	77,816	NONE
X510	PARKS & REC-LE SAGE COMPLEX 2 STORY BUILDING	510 S VERMONT AVE, LOS ANGELES 90020	OWNED	31,540	24,835	NONE
B695	PH-IMMUNIZ&ENVIR HLTH/MENTAL HEALTH	695 S VERMONT AVE, LOS ANGELES 90010	LEASED	109,845	103,617	NONE
Y193	PARKS & RECREATION-HEADQUARTERS BUILDING	433 S VERMONT AVE, LOS ANGELES 90020	OWNED	31,862	21,777	NONE
A413	HUMAN RESOURCES-WILSHIRE SQUARE TWO BUILDING	3333 WILSHIRE BLVD, LOS ANGELES 90010-4109	LEASED	85,991	72,804	NONE
D015	DPSS-CATHOLIC CHARITIES COMPUTER CENTER	1530 JAMES M WOOD BLVD, LOS ANGELES 90017	PERMIT	200	200	NONE
A405	BOS/ARTS COMMISSION-WILSHIRE-BIXEL BUILDING	1055 WILSHIRE BLVD SUITE 800, LOS ANGELES 90017	LEASED	7,873	7,479	NONE
A216	DPSS-APPEALS & STATE HEARINGS	811 WILSHIRE BLVD, LOS ANGELES 90017	LEASED	4,512	4,286	NONE
A627	COUNTY ADMIN OFFICES-LA WORLD TRADE CTR	350 S FIGUEROA ST, LOS ANGELES 90071	LEASED	52,516	49,890	NONE
A683	SERVICE INTEGRATION PILOT PROJECT	1910 MAGNOLIA AVE, LOS ANGELES 90007	LEASED	1,035	984	NONE
A118	CITIZENS COMMISSION ON JAIL VIOLENCE	355 S GRAND AVE, LOS ANGELES 90071	GRATIS USE	0	0	NONE
A159	DISTRICT ATTORNEY-FIGUEROA PLAZA	201 N FIGUEROA ST, LOS ANGELES 90012	LEASED	87,810	83,420	NONE
5546	PH-CENTRAL PUBLIC HEALTH CENTER	241 N FIGUEROA ST, LOS ANGELES 90012	OWNED	60,924	34,748	NONE
A442	MENTAL HEALTH-LAPD - SMART TEAM OFFICE	419 S SPRING ST, LOS ANGELES 90013	GRATIS USE	1,000	1,000	NONE
A429	CAO-REAL ESTATE DIVISION/ SERVICE INTEGRATION	222 S HILL ST, LOS ANGELES 90012	LEASED	30,905	27,158	NONE
5456	HEALTH SERVICES ADMINISTRATION BUILDING	313 N FIGUEROA ST, LOS ANGELES 90012	OWNED	221,359	134,851	NONE
X015	LOS ANGELES COUNTY LAW LIBRARY	301 W 1ST ST, LOS ANGELES 90012	CONTRACT	215,960	126,000	NONE
0181	KENNETH HAHN HALL OF ADMINISTRATION	500 W TEMPLE ST, LOS ANGELES 90012-2713	OWNED	958,090	595,071	NONE
3155	PERFORMING ARTS CTR-DE LISA BLDG/THE ANNEX	301 N GRAND AVE, LOS ANGELES 90012	OWNED	27,582	17,978	NONE
A588	SHERIFF'S AB 109 PAROLE COMPLIANCE TEAM	301 S CENTRAL AVE, LOS ANGELES 90013	LEASED	3,100	2,945	NONE
0156	HALL OF RECORDS	320 W TEMPLE ST, LOS ANGELES 90012	OWNED	438,095	260,776	NONE
6518	THE ADAMS & GRAND BUILDING	2615 S GRAND AVE, LOS ANGELES 90007	OWNED	215,439	183,874	NONE

**AMENDMENT NO. 2 TO LEASE NO. 70957
DEPARTMENT OF PUBLIC SOCIAL SERVICES**

THIS AMENDMENT NO. 2 TO LEASE NO. 70957 ("Amendment" or "Amendment No. 2") is made and entered into as of this 15th day of July, 2014, by and between ISAAC MORADI, ("Lessor"), and the **COUNTY OF LOS ANGELES**, a body corporate and politic ("Lessee").

RECITALS:

WHEREAS, on August 19, 1997, Lease No. 70957 (the "Lease") was entered into by and between ISAAC MORADI, as Lessor and the COUNTY OF LOS ANGELES, as Lessee to lease approximately 46,228 rentable square feet of office space commonly known as (the "Premises") in the building located at 2415 W. 6th Street, Los Angeles, California (the "Building"), for a term of ten (10) years (the "**Initial Term**") from April 23, 1998, to April 22, 2008;

WHEREAS, Amendment No. 1 and Exercise of First Option to Renew Lease No. 70957 was made and entered into on March 3, 2009, and the Lease was extended for a period of five (5) years subject to the conditions contained therein: and

WHEREAS, Lessor, and Lessee desire to amend the Lease for the purpose of extending the term of the Lease and modifying certain provisions of the Lease as set forth herein; and

WHEREAS, pursuant to Paragraph 2, TERM, of the Lease, Lessee now desires to extend the Lease for an additional five (5) years, and Lessor is in agreement with extending and amending the term pursuant to Paragraph 2 herein;

WHEREAS, Lessor and Lessee desire to amend Paragraph 3, RENT, to reflect the rent to be paid during the Extended Term of the Lease and thereafter;

WHEREAS, Lessor and Lessee desire to amend Paragraph 9, REPAIR MAINTENANCE AND REPLACEMENT, Subparagraph A, Item (2) by removing Exhibit D, and replacing with Exhibit D-1 to reflect County standards on the Cleaning and Maintenance Schedule.

WHEREAS, Lessor and Lessee desire to amend Paragraph 26, TENANT IMPROVEMENTS, by removing Exhibit A, and replacing with Exhibit A-1 to reflect agreed upon improvements for the Extended Term;

WHEREAS, Lessor and Lessee desire to amend Paragraph 28, RENTAL ADJUSTMENT, to reflect the proper rental adjustment to be used during the Extended Term of the Lease and thereafter;

70957, Supplement 2

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the rents, covenants and agreements hereinafter contained, and are intended to be legally bound, Lessor and Lessee hereby covenant and agree to further amend Lease No. 70957 as follows:

1. Paragraph 2 TERM, is hereby amended as to Subsections B, and C. Subsections A and D shall remain unchanged:

B. Option to Renew: The existing First Option (the "**First Option**") to Renew has been exercised as set forth in Amendment No. 1 to Lease 70957.

C. Extended Term: Lessee now desires to extend the term and Lessor is in agreement with Lessee extending the Lease. As such, the Extended Term of the Lease shall be for a period of five (5) years commencing upon approval of this Amendment by the Board of Supervisors (the "**Extended Term Commencement Date**"), and ending five years thereafter.

2. Paragraph 3 RENT, is hereby modified and the following Subsection B has been amended as follows:

B. Extended Term Rent. Lessee agrees to pay as rent for said Premises the sum of SEVENTY EIGHT THOUSAND, FIVE HUNDRED, EIGHTY SEVEN AND 60/100 DOLLARS (\$78,587.60) per month, i.e. \$1.70 per rentable square foot per month, during the Extended Term hereof within 15 days after a claim therefor for each such month has been filed by Lessor with the Auditor of the County of Los Angeles prior to the first day of each month. Basic rent for any partial month shall be prorated in proportion to the number of days in such month.

3. Paragraph 9 REPAIR MAINTENANCE AND REPLACEMENT, Subparagraph (A), item (2) is hereby modified to remove reference to Exhibit D, and replace with Exhibit D-1 Cleaning and Maintenance Schedule, attached hereto and incorporated herein by this reference.

4. Paragraph 26 TENANT IMPROVEMENTS, is hereby modified to remove reference to Exhibit A, and replace with Exhibit A-1 attached hereto and incorporated herein by this reference.

5. Paragraph 28, RENTAL ADJUSTMENT, is hereby deleted in its entirety, and replaced with the following:

A. CPI. From and after the first anniversary of the Extended Term Commencement Date, on the first day of the first full calendar month thereafter (the "**Adjustment Date**") and on every anniversary of the Adjustment Date thereafter, Base Extended Term Rent shall be adjusted by applying the CPI Formula set forth below.

B. CPI Formula. The "Index" means the Consumer Price Index for all Urban Consumers for the Los Angeles-Anaheim-Riverside area, all items published by the United States Department of Labor, Bureau of Labor Statistics (1982-84=100). The "**Base Index**" shall be the Index published for the month the Extended Term commences. The "**CPI Formula**" means Base Rent multiplied by a fraction, the numerator being the Index published for the month immediately preceding the month the adjustment is to be effective, and the denominator being the Base Index. If the Index is changed so that the Index differs from that used as of the Extended Term Commencement Date of the Lease, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the Term of this Lease, such other governmental Index or computation with which it is replaced shall be used in order to obtain substantially the same results as would be obtained if the Index had not been discontinued or revised.

C. Illustration of Formula. The formula for determining the new rent shall be as follows:

$$\begin{aligned} & \frac{\text{New Index}}{[\text{Base Index}]} \quad \times \$78,587.60 \text{ (Base Extended Term Rent)} \\ & \pm \text{Amount needed to amortize Tenant's Additional Tenant Improvements,} \\ & \quad \text{if any} \\ & \pm \text{Amount needed to amortize change order costs, if any} \\ & = \text{Monthly Base Rent} \end{aligned}$$

D. Limitations on CPI Adjustment. In no event shall the monthly Base Extended Term Rent adjustment based upon the CPI Formula result in an annual increase greater than four percent (4%) per year of the monthly Base Extended Term Rent of \$78,587.60 (i.e., not greater than \$3,143.50 per month annually).

6. Original Lease in Full Force. Notwithstanding anything to the contrary herein, all of the terms and conditions contained in the Lease, which are not modified by this Amendment shall remain in full force and effect. In the event of a conflict between the Lease and this Amendment, the terms of this Amendment shall control.

IN WITNESS WHEREOF, the Lessor has executed this Amendment No.2. or caused it to be duly executed, and the County of Los Angeles, by order of its Board of Supervisors, has caused this Amendment No. 2 to be executed on its behalf by the Chairman of said Board and attested to by the Clerk thereof the day, month, and year first above written.

"LESSOR"

ISAAC MORADI

By: [Signature]
Its: President

ADOPTED
BOARD OF SUPERVISORS

7 JUL 15 2014

"LESSEE"

COUNTY OF LOS ANGELES,
a body corporate and politic

By: [Signature: Mike Antonovich]
Name: MICHAEL ANTONOVICH
Its: Chairman Pro Tem, Board of Supervisors

[Signature: Sachi A. Hamai]
SACHI A. HAMAI
EXECUTIVE OFFICER



ATTEST:

SACHI A. HAMAI,
Executive Officer-Clerk of the Board of Supervisors

By: [Signature]
Deputy

I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

APPROVED AS TO FORM:

JOHN F. KRATTLI
County Counsel

By: [Signature: C. J. J. J.]
Deputy County Counsel

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By: [Signature]
Deputy

70957 Supplement No. 2

EXHIBIT A-1

TENANT IMPROVEMENTS

Lessor, at Lessor's sole cost and expense, shall perform the following Tenant Improvements in the Premises, utilizing Lessee's current standard grade, quality, make, style, design and color materials and construction methods for the Building, as applicable:

1. Paint: Paint existing interior spaces, including, but not limited to walls, ceilings, doors, and trim. In particular the Lobby area, interview booth areas (including areas underneath booth desktop counters), public restrooms and where needed. Provide one primer coat and two finish coats.
2. Interior Doors: Wooden doors -repair chips, cracks, and fading.
3. Camera (surveillance) Please consult with Tenant Department for specifications.
4. Water fountains -replace two water fountains (no longer functioning).
5. Exterior Windows-provide professional cleaning and regular cleaning schedule.
6. HVAC grills/vents: for air supply/return- clean, paint or replace the grills which are darkened/dirty (including 1st floor vents in Reception area, Cashier area, and fingerprint room).
7. Acoustic Ceiling Tiles: replace the stained/damaged ceiling tiles. Replace cracked ceiling tile in conference room (on 1st floor).
8. Stairs - need cleaning (nearest 6th street).
9. Vinyl Floors/uncarpeted areas- to be washed, and waxed/polished.
10. Carpet- glue down/repair any lifting carpet tile (see 2nd floor area at the ramp).

Miscellaneous Other

- A. Women's restroom- Pipes under sink- install the insulation jackets (where missing).
- B. Repair a broken window-in one of the administration area offices.
- C. Vertical blinds- replace individual blinds where missing. In particular, in room 20, and in Director's Office (corner office on second floor).
- D. Light Cover-Restroom in Administration area-missing a light cover.

EXHIBIT D-1

CLEANING AND MAINTENANCE SCHEDULE

1. DAILY (Monday through Friday)
 - A. Carpets vacuumed.
 - B. Composition floors dust-mopped.
 - C. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
 - D. Waste baskets, other trash receptacles emptied.
 - E. Chairs and waste baskets returned to proper position.
 - F. Fingerprints removed from glass doors and partitions.
 - G. Drinking fountains cleaned, sanitized and polished.
 - H. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
 - I. Bulb and tube replacements, as required.
 - J. Graffiti expunged as needed within two working days after notice by Tenant.
 - K. Floors washed as needed.
 - L. Kitchen/Lunchroom supplies replenished including paper supplies and soap.
 - M. Exclusive day porter service from ____ to ____ **(if provided by contract)**.
2. WEEKLY
 - A. Low-reach areas, chair rungs, baseboards and insides of door jambs dusted.
 - B. Window sills, ledges and wood paneling and molding dusted.
3. MONTHLY
 - A. Floors washed and waxed in uncarpeted office area.
 - B. High-reach areas, door frames and tops of partitions dusted.
 - C. Upholstered furniture vacuumed, plastic and leather furniture wiped.
 - D. Picture moldings and frames dusted.
 - E. Wall vents and ceiling vents vacuumed.
 - F. Carpet professionally spot cleaned as required to remove stains.
 - G. HVAC chiller water checked for bacteria, water conditioned as necessary.
4. QUARTERLY
 - A. Light fixtures cleaned and dusted, but not less frequently than Quarterly.
 - B. Wood furniture polished.
 - C. Draperies or mini-blinds cleaned as required, but not less frequently than Quarterly.
 - D. HVAC units serviced for preventative maintenance purposes, all filters changed.

EXHIBIT D-1

(continued)

5. SEMI-ANNUALLY

- A. Windows washed as required inside and outside but not less frequently than twice annually.
- B. All painted wall and door surfaces washed and stains removed.
- C. All walls treated with vinyl covering washed and stains removed.

6. ANNUALLY

- A. Furniture Systems and any other fabric or upholstered surfaces including chairs, couches, walls, etc., spot cleaned, or if determined to be necessary in Tenant's sole discretion, professionally cleaned in their entirety using a water extraction system.
- B. Bathroom and any other ceramic tile surfaces professionally cleaned using a hand scrub process. All grout and porous surfaces resealed with a professional grade sealant.
- C. Touch-up paint all interior painted surfaces in a color and finish to match existing.

7. AS NEEDED

- A. Premises and the sidewalks, driveways, parking areas and all means of access and egress for the Premises should be maintained in good repair, and in clean and safe condition at all times.
- B. All lawns, shrubbery and foliage on the grounds of the Premises should be maintained in good condition and neat in appearance. Grass and shrubbery must be replanted as needed to maintain the grounds in good appearance and condition.
- C. Carpets to be cleaned using a non-detergent, low moisture, soil encapsulation system as recommended by the carpet manufacturer. The following schedule will be maintained for carpet cleaning: (i) heavy traffic areas as needed with a minimum frequency of bi-monthly [six (6) times per year]; (ii) moderate traffic areas cleaned as needed with a minimum of once every six (6) months [two (2) times per year]; and (iii) clean light traffic areas a minimum of once per year. Landlord agrees that bonnet cleaning is not an acceptable method of cleaning carpets.
- D. All walls repainted and wall coverings replaced throughout the Premises. The paint finish should be eggshell or semi-gloss as directed by Tenant and in a color acceptable to Tenant. In no event will Landlord be required to repaint or replace wall coverings more than one (1) time in a five (5) year period (the "Occurrence"). The initial tenant improvements completed prior to Tenant's occupancy or as a condition to the renewal of the Lease shall not constitute and Occurrence for the purpose of determining the frequency of this work.

8. GENERAL

Landlord shall, upon request of Tenant, produce written service contracts as evidence of compliance with the terms of this Cleaning and Maintenance Schedule.